

(10)

THE DIRECTOR OF CENTRAL INTELLIGENCE

WASHINGTON, D.C. 20505

NIC 00484-84
20 January 1984

National Intelligence Council

MEMORANDUM FOR: Director of Central Intelligence
Deputy Director of Central Intelligence


VIA: National Intelligence Officer for Warning

FROM: 
Assistant National Intelligence Officer for NESA


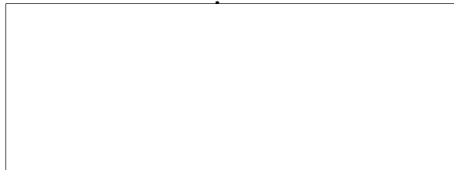
SUBJECT: Forecasting and Warning Meeting Report, 19 January

1. Tunisia: Prospects for Further Unrest. The community representatives agreed that the government probably has sufficient time to meet the kinds of economic grievances that sparked the recent riots. There was general agreement, however, that the government -- hampered by poor leadership and leery of imposing austerity measures on the middle class -- may not move quickly enough in the near term and that we may see further unrest in Tunisia, perhaps as early as the spring.

Two key determinants in the government's ability to deal with future unrest are the army's attitudes and the status of President Bourguiba. The army performed well in an internal security role and army morale is high. We are not, however, sure the army would enjoy prolonged police-type duties. Moreover, it is likely that senior officers will begin to demand a larger political say if they are called on to continue a major internal security role. Bourguiba played a key role in defusing the recent unrest. If he dies or is incapacitated when unrest breaks out again, we believe his absence would hinder efforts to bring it under control.



2. Iran-Iraq: Developments. There are a number of new developments since our last warning meeting:

- a. Reports of SS-12 Scaleboard in Iraq: We are inclined to doubt these reports. Analysts felt that the Soviets were unlikely to provide them to Iraq for fear of alienating Syria
- 
- 

~~SECRET~~

SECRET

25X1

and possibly harming Soviet arms relationship with Iran. Moreover, none of these have been previously reported outside of the Warsaw Pact.

- b. Iranian Suicide Attacks on US Naval Targets: The community felt that the [redacted] for such direct attacks were not sufficiently substantiated to be credible. Analysts saw little reason for Iran to want to directly attack the US now -- although all agreed that attacks through surrogates will continue -- or to take action that would certainly lead to the closure of the Straits of Hormuz. Analysts felt that the Iranians are more likely to continue with incremental responses and some analysts felt that the reports might indicate Iranian preparations for responding to a US attack on Iran, which Tehran sees as increasingly likely.
- c. Iranian Exocets: Analysts agreed this report must be taken seriously. The search for likely sellers to Iran is now centered on Peru and Pakistan, although most analysts felt that Peru was the most likely donor. There are some indications that the whole episode may be an elaborately arranged "sting" designed to swindle Tehran.

25X1

3. Lebanon: New Trends in Terrorism. AUB President Kerr's assassination confirms the trend towards individual terrorist attacks on nationals and diplomats from MNF contributing countries. MNF precautions against suicide car bomb attacks may well have convinced the terrorist groups -- and we believe that radical Shia backed by Iran are responsible for the attacks -- to switch targets. Terrorists will now focus on small, individual targets, use small arms -- silencer-equipped pistols -- and hit and run type attacks. MNF soldiers will continue to be targets.

One analysts suggested that the contrast between the kidnapping last year of AUB President Dodge -- who was subsequently released -- and the assassination of Kerr might indicate growing differences between the radical Shia and Syria. Some evidence suggests the radical Shia who kidnapped Dodge had wanted to try and execute him but were apparently prevented from doing so by Syria, which arranged his release. The radicals, fearing Syria might do the same thing again, decided to kill Kerr directly. Analysts agreed that there might be differences between Syria and the radicals but that we did not have enough convincing evidence to say with certainty that such splits existed.

25X1

THE DIRECTOR OF CENTRAL INTELLIGENCE

WASHINGTON, D. C. 20505

NIC 02057-84
30 March 1984

National Intelligence Officers

MEMORANDUM FOR: Director of Central Intelligence
Deputy Director of Central Intelligence

VIA: National Intelligence Officer for Warning

FROM: Graham E. Fuller
National Intelligence Officer for NESAs

SUBJECT: Forecasting and Warning Meeting Report, 22 March 1984

1. Iran-Iraq: Update. We still anticipate a large-scale Iranian offensive--probably centered in the Basra region--in the near term. Some analysts raised the possibility that the reason we have not yet seen a large scale Iranian offensive is that Tehran has shifted to a strategy based on attrition on a grand scale. Most analysts, however, continue to believe that the Iranian offensive is still likely and that delays can be attributed to logistical problems.

DIA offered some comments on the state of morale among Iranian forces, noting that there is very little reliable reporting from either side on this crucial factor. Based on our limited reports, however, we believe that there are clearly some problems among Iranian troops.

- There is an increasing tendency of the irregular Basij and Revolutionary Guard forces to surrender.
- There have been some reports of Revolutionary Guard commanders being relieved.
- Tensions between the army and the Revolutionary Guard remain high, and there have been reports about charges of misappropriation of army supplies by the Revolutionary Guards and vice versa.

Warning Notes

Although most analysts continue to believe that the Iraqis can contain the Iranian offensive, there is concern that not enough attention is being paid to the consequences of an Iranian success and a resulting

SECRET

25X1

Iraqi collapse. Such a development could have a major impact on US policy in the region and could spark an Iranian effort to move against the Gulf states and possibly Saudi Arabia.

25X1

2. PLO-Jordan-Israel: Increased Terrorism. The Israelis believe both pro- and anti-Arafat PLO factions are trying to reestablish infiltration infrastructure in Jordan and may be responsible for recent large-scale terrorist attacks in Israel such as bus bombings in Ashdod and Jerusalem. Israeli concern is growing--some Israeli officials believe that Arafat's need to adopt a more militant posture to firm up his position in the PLO could cause him to increase greatly efforts to infiltrate into the West Bank and Israel proper. However, we believe that the Israelis still see Jordan as doing all it can to stem these infiltration attempts and that Israeli retaliation against Jordan is not likely so long as Tel Aviv holds to this view. Most analysts believe that if the Israelis decide to retaliate for terrorist attacks they will continue to strike at PLO targets in Lebanon. They will retaliate against Jordan only if they become convinced that the Jordanian government is actively abetting PLO infiltration--something we now think highly unlikely.

Warning Items

Reports of PLO infiltration from Jordan through the Sinai to Gaza are certain to eventually reach the Israelis and could cause major irritants in Israeli-Egyptian relations. The Israelis have in the past complained about Egyptian laxity in stemming infiltration into Gaza and could raise this issue again.

While most analysts do not believe that Israeli retaliation against Jordan is likely in the near term, some analysts believe there is possibility of such a move particularly if a terrorist attack inside Israel resulted in high casualties during the period leading up to the Israeli elections.

25X1

25X1

3. India: Growing Unrest in Punjab. The two-year-old regional disturbances in Punjab have escalated to an unprecedented level of violence in the past two months, despite the imposition of direct rule from New Delhi last October. Hindu-Sikh conflict as well as anti-government activities by the dissident Sikhs have resulted in over a hundred deaths in five weeks. Other developments have included attempted assassinations of political leaders in Punjab and neighboring Haryana, the growing alienation of moderate Sikhs as a result of New Delhi's crackdown, and warnings by Sikh leaders that they will fight to the death any effort by paramilitary troops to enter Sikh temples and curtail their use as terrorist sanctuaries.

New Delhi has responded by banning a key Sikh students' organization, accusing the leader of the Sikh Akali Dal Party of sedition, and further increasing the number of paramilitary units in Punjab--indicating its unwillingness to countenance continuing violence.

Warning Items

We would be particularly concerned by:

- Further spread of violence beyond the borders of Punjab State.
- Deployment by New Delhi of the Army to curb the unrest--a last resort for Gandhi's government because the Army objects to involvement in internal problems and because Sikhs comprise about 12% of the Army. Use of the Army would signal New Delhi's failure to handle Punjab by more conventional means, an admission detrimental to the government in an election year. Evidence of governmental weakness could encourage other dissidents elsewhere to step up activities. Mobilization of Army troops could also raise tensions with Pakistan by causing Islamabad to believe New Delhi is mounting an attack from the border state of Punjab.

25X1

Graham E. Fuller

25X1

25X1

SUBJECT: Forecasting and Warning Meeting Report, 22 March

--	--

25X1

Orig - DCI
1 - DDCI
1 - ER
1 - Exec. Dir.
1 - ADDI
1 - SA/IA
1 - C/IPC Staff
1 - C/NIC
1 - VC/NIC
2 - NIO/NESA
5 - NIO/W
1 - Each NIO
1 - Each Office Director
1 - SRP
1 - NIC/AG
1 -
1 -
1 - C/OCR/NEA
1 - OGI/IIC/TI
1 - OGI/IIC/TG
1 - NESA/AI/D
1 - NESA/PG/D
1 - NESA/SO/D
1 - DDI/CRES
1 - CPAS/ILS
1 - SIGINT, Chairman, SIRVES
1 -
1 -
1 -
1 -
1 -
1 -
1 - NPIC/IEG/TWFD
1 - NPIC/PEG
2 - ICS/OHC/DIR
1 - DDI Rep, OLL

- 25X1

25X1

25X1

Declassified in Part - Sanitized Copy Approved for Release 2013/01/22 : CIA-RDP00M00244R000500040012-9

:RET/

25X1

NIC 00484-84
20 January 1984

MEMORANDUM FOR: Director of Central Intelligence
Deputy Director of Central Intelligence

SUBJECT: Forecasting and Warning Meeting Report, 19 January 1984

NIC/A/NIO/NESA:

20 Jan. 84

Distribution:

Orig - DCI

1 - DDCI

1 - ER

1 - Exec. Dir.

1 - ADDI

1 - SA/IA

1 - C/IPC Staff

1 - C/NIC

1 - VC/NICs

2 - NIO/NESA

5 - NIO/W

1 - Each NIO

1 - Each Office Director

1 - SRP

1 - NIC/AG

1 -

1 -

1 - C/OCR/NEA

1 - OGI/IIC/TI

1 - OGI/IIC/TG

1 - NESA/AI/D

1 - NESA/PG/D

1 - NESA/SO/D

1 - DDI/CRES

1 - CPAS/ILS

1 - SIGINT, Chairman, SIRVES

1 -

1 -

1 -

1 -

1 -

1 -

1 - SOVA/CSD/C

1 -

1 - NPIC/IEG/TWFD

1 - NPIC/PEG

2 - ICS/OHC/DIR

1 - DDI Rep. OLL

1 -

1 - State/INR/RNA

1 - DIO/NE

1 - DIA/DB-3C

1 - DIA/JSI

1 - DIA/DE-4

1 - DIA/DB-2

1 - DIA/DB-2C2

1 - DIA/JSI-5A

1 - DIA/JSI-5B

1 - DIA/JSI-3B

1 - DIA/JSI-2C

1 - OJCS MEAF Div.

1 - NSA/G-609

1 - ACSI DAMI FII

1 - ONI Estimates Br.

1 - AF/INER

1 - AF/INES

1 - HQ USMC CODE INTP

1 - NSC/ME

1 - Cmdr. Phil Dur, NSC

1 - Maj. Jack Mathis, US Central Command

1 - Bill Eckert, Office of VP

1 - [redacted] IA ATTN: DC4A

SECRET

SECRET

25X1

The Director of Central Intelligence
Washington, D.C. 20505

NIC 02496-84
24 April 1984

National Intelligence Council

MEMORANDUM FOR: Director of Central Intelligence
Deputy Director of Central Intelligence

VIA: National Intelligence Officer for Warning

FROM: Graham E. Fuller
National Intelligence Officer for NESAs

SUBJECT: Forecasting and Warning Meeting Report, 19 April 1984

1. Sri Lanka. CIA provided a brief overview of the current situation on the island and gave an estimate of how we see Indian policy towards Sri Lanka unfolding. DIA gave an overview of likely military warning indicators on impending Indian military action and the DIA analyst offered his views on the outcome of an Indian-Sri Lankan clash.

Analysts believe that there is little likelihood of an immediate Indian military move, despite recent amphibious exercises and some thinly veiled threats contained in Mrs. Gandhi's letters to President Reagan and Prime Minister Thatcher. Instead, we believe India will employ a combination of diplomatic pressure, sabre-rattling and semi-public support for Tamil dissidents in Indian training camps in an effort to get President Jayewardene to concede some form of autonomy for Sri Lankan Tamils.

Some analysts felt that this combination of Indian pressures might well prove counterproductive--particularly the training of Tamil dissidents--leading Jayewardene to toughen his stand instead of compromising, thus raising the possibility that India would have to move militarily.

INR noted that India has for some time felt that the US is following a policy of regional encirclement vis-a-vis India--that the Indians in particular see the Presidential visit to China and closer ties to Pakistan in this light--and might try to break out of this perceived encirclement by moving against Sri Lanka. In any event, efforts by the US to demonstrate support for Sri Lanka--particularly ship visits--would

SECRET

25X1
25X1

SECRET,

25X1

almost certainly raise Indian fears and could contribute to an Indian decision to move against Sri Lanka.

Warning Indicators

DIA presented their view of how the Indians might approach an invasion--which would probably be aimed at protecting Tamil areas in north Sri Lanka and Indian interests around Colombo--and what we might expect to see as preliminary signs. The DIA analyst felt that the Indian military would "worst-case" the invasion and would seek to have overwhelming force available. Preparations to assemble such a force might well take 2-3 weeks and thus the number of indicators available to us should be large. These indicators might include: military take over of railway, large-scale amphibious preparations and large military movements.

A DIA analyst also offered his view that even a limited Indian invasion of Sri Lanka might not be the walk-over that is universally foreseen. We would certainly expect India to win, but the cost of the victory and the subsequent occupation might well be larger than the Indians expect.

Analysts also noted that we can expect an appeal from Sri Lanka for US aid in the event of an Indian move and that policymakers ought to be planning now what the US response will be.

2. Syria--Succession Struggle. CIA gave a presentation on the current status of the succession struggle and some possible consequences. There was general agreement that whatever the outcome we cannot expect to see fundamental changes in Syrian policy. Specifically, we would not expect any successor regime to cut ties with the Soviets, abandon Syrian interests in Lebanon or enter the peace process under conditions other than those stated by Assad. Moreover, a successor regime might well prove to be more erratic and less adroit than Assad and could well undertake regional adventures.

Analysts agreed that there were several ways in which the current stalemate could be broken:

- an accidental clash between Rifaat's supporters and their army opponents.
- a decision by one side to preempt and launch a surprise attack on the other side.
- assassination attempts by one side against the leadership of the other. Rifaat is the most likely target of such moves.

The group also agreed that in the short term Rifaat's forces probably have the upper hand--his forces are better positioned near and

SECRET

SECRET, [REDACTED]

25X1

in Damascus, for example--but that a prolonged struggle would probably favor his opponents in the army who could bring greater force to bear over the long run.

Warning Indicators [REDACTED]

25X1

CIA and DIA analysts cautioned that the beginnings of the power struggle are likely to take place at levels where we have little information. Analysts agreed that the Baath Party conference scheduled for later this summer might well prove to be a significant event and could serve to galvanize the struggle.

25X1

25X1

3. Iran--Iraq: Iranian Offensive and Leadership Problems. [REDACTED]

25X1

25X1

[REDACTED] offensive is now more or less permanently on hold and that we can expect little in the way of major military moves by Iran until at least later this year. In the meantime, we can probably expect Iran to continue to follow more or less a strategy of attrition. DIA stressed that this analysis was still tentative and that we needed to know more about the disposition of some Iranian forces before we can conclusively state that the offensive has been delayed. Most analysts agreed, however, that there is mounting evidence that the major Iranian offensive may not take place.

INR spoke to Iranian leadership attitudes on the war, noting that there is some evidence of discontent among the senior clerics with the "military option" and that this may well be a factor in Tehran's failure to launch its offensive. INR noted, for example, that the usually hawkish Rafsanjani has been relatively quiet thus far and also cited several diplomatic reports from Tehran reporting dissension within the upper levels of the government. However, INR and others stressed that Khomeini still speaks of the "final offensive" against Iraq and we have no evidence to suggest that he has dropped his desire for the offensive.

The option of turning the war over to the Majlis for a final decision on how to proceed was also discussed. Analysts agreed that this was increasingly likely but that Khomeini and the senior clerics still

SECRET

SECRET/

25X1

had to lay out the options for the Majlis to follow in resolving the war--as they did in turning the hostage case over to the parliament--and could not simply pass the problem to the Majlis.

Warning Indicators

25X1

All analysts agreed that whatever the evidence that Iran has abandoned plans for a major offensive, the Iranian forces in the central and southern sectors have not been reduced and in fact may have been reinforced. The possibility that an Iranian offensive could be launched with little or no notice thus must still be considered. In any event, even if the Iranian offensive is postponed, we must remain alert to the continuing possibility of Iraqi actions designed to raise tensions in the Gulf through attacks on shipping or Iranian oil exporting facilities.

25X1

Graham E. Fuller

25X1

NIC 02496-84
24 April 1984

MEMORANDUM FOR: Director of Central Intelligence
Deputy Director of Central Intelligence

SUBJECT: Forecasting and Warning Meeting Report, 19 April

NIC/NIO/NESA:GEFuller:jcn 24 Apr. 84

25X1

Distribution:

Orig - DCI	1 - State/INR/NESA
1 - DDCI	1 - DIO/NE
1 - ER	1 - DIA/DB-3C
1 - Exec. Dir.	1 - DIA/JSI
1 - ADDI	1 - DIA/DE-4
1 - SA/IA	1 - DIA/DB-2
1 - C/IPC Staff	1 - DIA/DB-2C2
1 - C/NIC	1 - DIA/JSI-5A
1 - VC/NIC	1 - DIA/JSI-5B
2 - NIO/NESA	1 - DIA/JSI-3B
5 - NIO/W	1 - DIA/JSI-2C
1 - Each NIO	1 - OJCS MEAF Div.
1 - Each Office Director	1 - NSA/G-609
1 - SRP	1 - ACSI DAMI FII
1 - NIC/AG	1 - ONI Estimates Br.
1 - [Redacted]	1 - AF/INER
1 - [Redacted]	1 - AF/INES
1 - C/OCR/NEA	1 - HQS USMC CODE INTP
1 - OGI/IIC/TI	1 - NSC/ME
1 - OGI/IIC/TG	1 - Cmdr. Phil Dur, NSC
1 - NESA/AI/D	1 - Maj. Jack Mathis, US Central Command
1 - NESA/PG/D	1 - Bill Eckert, Office of VP
1 - NESA/SO/D	1 - [Redacted] DIA ATTN: DC4A
1 - DDI/CRES	
1 - CPAS/ILS	
1 - SIGINT, Chairman SIRVES	
1 - [Redacted]	
1 - [Redacted]	
1 - [Redacted]	
1 - [Redacted]	
1 - [Redacted]	
1 - [Redacted]	
1 - [Redacted]	
1 - OSWR/PPC	
1 - SOVA/CSD/C	
1 - [Redacted]	
1 - NPIC/IEG/TWFD	
1 - NPIC/PEG	
2 - ICS/OHC/DIR	
1 - DDI Rep, OLL	
1 - [Redacted]	

25X1

25X1

25X1

25X1

25X1

SECRET

25X1
25X1

The Director of Central Intelligence
Washington, D.C. 20505

National Intelligence Council

NIC 03664-84
25 June 1984

- MEMORANDUM FOR: Director of Central Intelligence
Deputy Director of Central Intelligence

VIA: National Intelligence Officer for Warning

FROM:
Assistant National Intelligence Officer for NESA

SUBJECT: Forecasting and Warning Meeting Report, 21 June 1984

25X1

1. India-Pakistan. CIA commented on the unrest in the Punjab, noting that the army can probably contain the violence there and that we expect the government to speed up efforts to reduce the percentage of Sikhs in the armed forces. We do expect Sikh terrorism to continue, however, and community analysts anticipate an outbreak of terrorist acts aimed at Indian targets by Sikhs abroad.

A more disturbing question--addressed by CIA and DIA--is the Indian military movements associated with efforts to put down the unrest in Punjab. While a number of the military moves are in line with what we would expect given armed forces concern over the unrest, there are some elements which appear to go beyond what would be required for stifling domestic disturbances. Particularly noteworthy is activity in the Indian Air Force which does not seem to be directly related to the Punjab, but could be indicative of planning for an Indian preemptive strike against the Pakistani nuclear program. There is concern that the Indians may be using the unrest in Punjab to mask broader military moves in preparation for a strike against the Pakistani program.

Analysts were quick to note, however, that there are other signs--particularly the impending visit of the Indian army COS to the US--that would argue against any imminent strike. Overall, the community sense is that the probability of a preemptive Indian strike or of any broader eruption of Pakistani-Indian hostilities remains low.

25X1
25X1

SECRET

25X1

25X1
25X1

25X1

25X1
25X1

Page Denied

25X1

25X1

SECRET

25X1

25X1

failure will depend on Iraq's tactics, but we believe the Iranians will seek to undermine Saddam Husayn through terrorism and subversion rather than seek a negotiated end of the war.

25X1

NIC 03662-84
25 June 1984

MEMORANDUM FOR: Director of Central Intelligence
Deputy Director of Central Intelligence

SUBJECT: Forecasting and Warning Meeting Report, 21 June 1984

NIC/A/NIO/NESA: [redacted] 25 June 1984 [redacted]

25X1
25X1

Distribution:

Orig - DCI	1 - State/INR/NESA	
1 - DDCI	1 - DIO/NE	
1 - ER	1 - DIA/DB-3C	
1 - Exec. Dir.	1 - DIA/JSI	
1 - ADDI	1 - DIA/DE-4	
1 - SA/IA	1 - DIA/DB-2	
1 - C/IPC Staff	1 - DIA/DB-2C2	
1 - C/NIC	1 - DIA/JSI-5A	
1 - VC/NIC	1 - DIA/JSI-5B	
2 - NIO/NESA	1 - DIA/JSI-3B	
5 - NIO/W	1 - DIA/JSI-2C	
1 - Each NIO	1 - OJCS MEAF Div.	
1 - Each Office Director	1 - NSA/G-609	
1 - SRP	1 - ACSI DAMI FII	
1 - NIC/AG	1 - ONI Estimates Br.	
1 - [redacted]	1 - AF/INER	25X1
1 - [redacted]	1 - AF/INES	
1 - C/OCR/NEA	1 - HQS USMC CODE INTP	
1 - OGI/IIC/TI	1 - NSC/ME	
1 - OGI/IIC/TG	1 - Cmdr. Phil Dur, NSC	
1 - NESA/AI/D	1 - Maj. Jack Mathis, US Central Command	
1 - NESA/PG/D	1 - Bill Eckert, Office of VP	
1 - NESA/SD/D	[redacted]	25X1
1 - DDI/CRES		
1 - CPAS/ILS		
1 - SIGINT. Chairman. SIRVES		25X1
1 - [redacted]		
1 - [redacted]		
1 - [redacted]		
1 - [redacted]		
1 - [redacted]		
1 - [redacted]		
1 - [redacted]		
1 - OSWR/PPC	:	
1 - SOVA/CSD/C		
1 - NPIC/IEG/TWFD	:	
1 - NPIC/PEG		
1 - [redacted]		25X1
2 - ICS/OHC/DIR		
1 - DDI. Rep. OLL		
1 - [redacted]		25X1

SECRET

25X1

The Director of Central Intelligence
Washington, D.C. 20505

NIC 04183-84
20 July 1984

National Intelligence Council

MEMORANDUM FOR: Director of Central Intelligence
Deputy Director of Central Intelligence

VIA: National Intelligence Officer for Warning

FROM: Graham E. Fuller
National Intelligence Officer for NESAs

SUBJECT: Forecasting and Warning Meeting Report,
19 July 1984

1. Iran-Iraq. Although Iran continues to maintain a state of preparedness for another assault against Iraq, there are continuing indications of delay based on political decisions from Tehran. Iran's military preparations include a readiness to cross the Shatt Al-Arab. Given the nature of Iraqi defenses, however, and the extensive flooding in the area, any Iranian attack would be likely to incur very high casualties.

Discussions in Tehran probably hinge more on how and when to launch an attack rather than whether an attack should be made.

The air war in the Gulf continues with Iraqi attacks on Iranian shipping and Iranian measured responses.

Despite numerous reports of forthcoming diplomatic activity to end the war, no significant steps have been taken and we doubt that mediation will bring results. Iran may wish to use mediation offers as a means to entice the Gulf states into pressuring Iraq to stop the air war.

Iran has at least three options:

- Maintain the war in a twilight zone of no peace, no war.
- Seek a negotiated settlement in which the fall of Saddam Husayn would be the key goal.

SECRET

25X1

- Launch an attack against Iraq and escalate the conflict in the Gulf.

Iran has been sobered by numerous recent events such as the Saudi shootdown of an Iranian plane, the lack of success in Iran's land war, Iran's failure to generate meaningful terrorism inside Iraq, and Iraq's near conclusion of a new pipeline agreement.

It is important to remember that Iran has many long-range goals in its struggle for dominance in the Gulf that will continue to exist even should the war wind down.

The Community recognized that the situation is quite fluid at the moment and we have little clear indication of Iran's probable course of action.

2. Tunisia. The bread riots in Tunisia in January vented a considerable amount of public dissatisfaction but the underlying causes of dissatisfaction remain. Unemployment is high, worker remittances from abroad are diminishing, tourism is dropping, the budget is distributing largesse unequally through the country, and corruption remains high. Bourguiba's ruling party, once the symbol of nationalism and independence, is now a symbol of corruption, cronyism, and stagnation. The rifts between the haves and the have-nots is growing.

Bourguiba himself, so long part of the solution of Tunisia's problems, is now more the source of such problems. He is increasingly senile, out of touch with the present situation and is blocking efforts at major reform. He is still in charge for better or for worse and because of his stature, is unlikely to be removed. There is no one of sufficient standing in Tunisia to fill his shoes.

The government is devoting more time to finding scapegoats for Tunisia's problems than to finding solutions. A recent pact between the labor unions and the government may help to contain labor strikes in the near term. The situation still remains potentially explosive, and student demonstrations this fall--especially if badly handled by security forces--could unleash further major unrest. At the moment there is no specific immediate issue which could serve to spark trouble in the months ahead.

The major actor in any disorders would be Islamic fundamentalists. Libya's influence on domestic politics is decidedly limited. The military--once a reliable instrument in quelling disorder--cannot be counted on to serve the regime in this capacity indefinitely.

SECRET

SECRET 

25X1

 25X1


3. PLO. The recent Aden agreement signed between the PFLP, DFLP, and Arafat marks a significant step in tightening the PLO's hold on Arafat's activities. The emphasis is now on collective leadership, lack of communication with Egypt, and discouragement of peace talks with Jordan. Despite these strictures, Arafat is still likely to exercise some personal independence of action. He has survived recent struggles and still maintains leadership. All indications are that Arafat still wishes to avoid a major split in the PLO at all costs.

Arafat's differences with Syria are harder to bridge. President Assad has recently met with senior Arafat lieutenants but will not be willing to meet Arafat until they are certain he will restrict his activities in accord with recent agreements. Syria likewise has had limited success in winning acceptance of the Syrian controlled rebels among Arab states.

In any case the prospects for Arafat providing King Hussein with any meaningful mandate for negotiation with Israel is extremely unlikely.

The PLO continues to infiltrate into Beirut. Current figures suggest some 2,000 Palestinian fighters in the Beirut area. This time, however, there is far greater suspicion and concern for PLO activities among most Lebanese factions than ever before. Syria likewise does not wish to see the PLO run uncontrolled.

If the PLO refuses to enter negotiations with Israel, with or without Hussein, it will need some other viable policy. Since the military option is increasingly unrealistic, a return to terrorism is a distinct possibility. PLO politics are likely to remain loose, however, and each of the various factions will probably continue to pursue their own goals while avoiding a formal break in the organization.


Graham E. Fuller

25X1

SECRET

25X1

NIC 04183-84
24 July 1984

MEMORANDUM FOR: Director of Central Intelligence
Deputy Director of Central Intelligence

SUBJECT: Forecasting and Warning Meeting Report, 19 July 1984

NIC/NIO/NESA:GEFuller:jcn

24 July 84

25X1

Distribution:

Orig - DCI	1 - State/INR/NESA
1 - DDCI	1 - DIO/NE
1 - ER	1 - DIA/DB-3C
1 - Exec. Dir.	1 - DIA/JSI
1 - ADDI	1 - DIA/DE-4
1 - SA/IA	1 - DIA/DB-2
1 - C/IPC Staff	1 - DIA/DB-2C2
1 - C/NIC	1 - DIA/JSI-5A
1 - VC/NIC	1 - DIA/JSI-5B
2 - NIO/NESA	1 - DIA/JSI-3B
5 - NIO/W	1 - DIA/JSI-2C
1 - Each NIO	1 - OJCS MEAF Div.
1 - Each Office Director	1 - NSA/G-609
1 - SRP	1 - ACSI DAMI FII
1 - NIC/AG	1 - ONI Estimates Br.
1 - [redacted]	1 - AF/INER
1 - [redacted]	1 - AF/INES
1 - C/OCR/NEA	1 - HQS USMC CODE INTP
1 - OGI/IIC/TI	1 - NSC/ME
1 - OGI/IIC/TG	1 - Cmdr. Phil Dur, NSC
1 - NESA/AI/D	1 - Maj. Jack Mathis, US Central Command
1 - NESA/PG/D	1 - Bill Eckert, Office of VP
1 - NESA/SO/D	1 - [redacted] DIA ATTN: DC4A
1 - DDI/CRES	1 - [redacted]
1 - CPAS/ILS	1 - NWS, Room 1C925, PENTAGON
1 - SIGINT, Chairman, SIRVES	
1 - [redacted]	
1 - [redacted]	
1 - [redacted]	
1 - [redacted]	
1 - [redacted]	
1 - [redacted]	
1 - OSWR/PPC	
1 - SOVA/CSD/C	
1 - NPIC/IEG/TWFD	
1 - NPIC/PEG	
1 - [redacted]	
2 - ICS/OHC/DIR	
1 - DDI Rep/OLL	
1 - [redacted]	
/	

25X1

25X1

25X1

25X1

25X1

SECRET, [REDACTED]

25X1

The Director of Central Intelligence
Washington, D.C. 20505

NIC #04865-84
27 August 1984

National Intelligence Council

MEMORANDUM FOR: Director of Central Intelligence
Deputy Director of Central Intelligence

VIA: National Intelligence Officer for Warning

FROM: [REDACTED]
Assistant National Intelligence Officer for NESA

25X1

SUBJECT: Forecasting and Warning Meeting Report, 23 August 1984

1. India-Pakistan-Sri Lanka.

DIA presented a discussion of developments in Indo-Pak relations designed to update the recently completed SNIE, Prospects for Hostilities.

There are few if any new military indicators of impending hostilities. Indeed, we have noted some Indian troop withdrawals from the Punjab and we have seen no new activities in the Glacier. On the Pakistani side, there is also little sense of urgency: unit commanders have been advised to be extremely careful in the border area. Politically, Mrs. Gandhi has toned down her rhetoric--she also publically claimed to be unworried about the Pakistani nuclear program--and appears to be focusing on the Sri Lanka issue and her domestic difficulties for the near term. CIA noted that, while there are few military indicators of impending hostilities, there were clashes in northern Kashmir recently and that tensions remain high.

DIA also provided an overview of tensions on the Pak-Afghan border. There have been an unusually high number of cross-border incidents--shelling and air strikes--in August and most community analysts believe this represents a more aggressive Soviet strategy. Some analysts believe there is a likelihood of a small-scale Soviet ground incursion into Pakistan in the near future.

25X1
25X1

SECRET/

25X1

There is, however, some disagreement over the intent of the more aggressive Soviet stance. Some analysts believe the cross-border operations are intended to send a strong message to Pakistan to end its support for the insurgency. Others are less inclined to see a direct political message and maintain that the raids represent a more aggressive military stance growing out of Soviet frustration over their inability to end the insurgency.

— Whatever the intent of the cross-border attacks, most analysts believe the Pakistani government sees them as conveying a direct threat from the Soviets and want the US to be more active in backing Pakistan.

Warning Notes

Analysts agreed that a key indicator of Soviet intentions would be a cross-border attack of any sort in an area in which there is no ongoing major military operation. To date, all the cross-border attacks have taken place in areas where large-scale anti-insurgent operations are in progress.

Analysts also agreed that the cross-border raids could at some point cause Zia internal problems, particularly if casualties mount and if large numbers of Pakistanis are killed during such operations.

Finally, analysts noted that Zia--given his firm belief that Soviet pressure is mounting--is likely to see the US reaction to his requests for support as a test of the strength of the US-Pakistani relationship.

Sri Lanka

We had a brief review of the situation led by analysts from DIA and CIA. Analysts agreed that the likelihood of Indian involvement is low, although there appears to be some pressure on Mrs. Ghandi from Tamil Nadu officials. Moreover, analysts agreed that despite the recent excesses by the army, prospects for a negotiated settlement between the government and the Tamils remain relatively good. The government's security forces and information control have improved greatly.

Analysts agreed that the insurgents have been badly hurt by the recent government offensive and that there is a strong possibility that they could initiate terrorist attacks in the Sinhalese south. Analysts agreed that there is also a possibility that US facilities and personnel could be targeted by Tamil terrorists.

SECRET

25X1

2. Libya.

CIA led off with a brief discussion of Qadhafi's foreign and domestic policy since the May 8 barracks attack in Tripoli. Qadhafi, disturbed at the apparent strength of his domestic opposition, has sought to improve ties with regional powers, alleviate some of domestic discontent by backing off from some of his more onerous measures while at the same time continuing his covert attempts to undermine Arab moderates. Qadhafi's goals in this two-track policy appear to be:

- getting his regional relations in order so as to focus on the domestic dissent; and
- projecting a moderate image that he hopes will split off Western Europeans from the US. His recent talks with Italian Prime Minister Andreotti are part of this strategy.

Nonetheless, Qadhafi's efforts to subvert Egypt and Sudan do not appear to have lessened. There is mounting evidence that Libya was responsible for the Red Sea mining and we expect subversion attempts against the Sudan to continue, although we have no reporting of actual planning at this time. Qadhafi's tactics show his usual concern for carrying out acts which give him plausible denial.

Warning Note

We expect Libyan operations against dissidents in Europe and elsewhere to intensify. There is some evidence that the recent Libyan attempt to smuggle arms in to Hajj pilgrims in Saudi Arabia was part of a plan to strike at Libyan dissidents in Saudi Arabia. Community analysts also noted that Qadhafi has for some time warned that he would take--unspecified--action if the Arabs did not pull together on anti-Israel and anti-US activities by 1 September. While we have no indication of any Libyan planning for this date, we believe the threat is real.

3. Iran-Iraq.

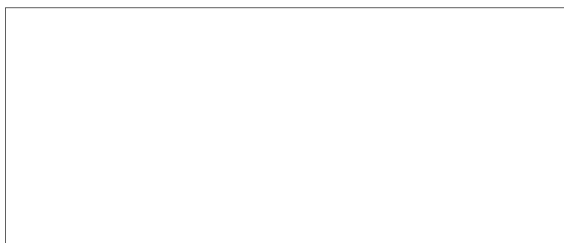
In a brief overview of the Iran-Iraq military situation and the Iranian domestic scene, community analysts concluded that there is little to add to past warning reports and community analysis. There are no significant new military indicators, and we remain convinced that Iranian forces could launch an offensive at any time. Similarly, despite numerous signs of dissent among the Iranian leadership over how to prosecute the war, we see no sign that the Iranian leadership has abandoned its goal of overthrowing Saddam Husayn or that Tehran is prepared to explore seriously a negotiating option.

SECRET

SECRET, 

25X1

Community analysts were informed that we plan to begin a SNIE
on succession to Khomeini shortly. INR will draft.



25X1

NIC 04865-84
24 August 1984

MEMORANDUM FOR: Director of Central Intelligence
Deputy Director of Central Intelligence

SUBJECT: Forecasting and Warning Meeting RReport, 23 August 1984

NIC/A/NIO/NESA/ [redacted]

24 Aug. 84 [redacted]

25X1

Distribution:

Orig - DCI	1 - State/INR/NESA	
1 - DDCI	1 - DIO/NE	
1 - ER	1 - DIA/DB-3C	
1 - Exec. Dir.	1 - DIA/JSI	
1 - ADDI	1 - DIA/DE-4	
1 - SA/IA	1 - DIA/DB-2C2	
1 - C/IPC Staff	1 - DIA/JSI-5A	
1 - C/NIC	1 - DIA/JSI-5B	
1 - VC/NIC	1 - DIA/JSI-3B	
2 - NIO/NESA	1 - DIA/JSI-2C	
5 - NIO/W	1 - OJCS MEAF Div.	
1 - Each NIO	1 - NSA/G-609	
1 - Each Office Director	1 - ACSI DAMI FII	
1 - SRP	1 - ONI Estimates Br.	
1 - NIC/AG	1 - AF/INER	
1 - [redacted]	1 - AF/INER GL	25X1
1 - [redacted]	1 - HQS USMC CODE INTP	
1 - C/OCR/NEA	1 - NSC/ME	
1 - OGI/IIC/TI	1 - Cmdr. Phil Dur, NSC	
1 - OGI/IIC/TG	1 - Maj. Jack Mathis, US Central Command	
1 - NESA/AI/D	1 - Bill Eckert, Office of VP	
1 - NESA/PG/D	1 - [redacted] DIA ATTN: DC4A	25X1
1 - NESA/SO/D	1 - [redacted]	
1 - DDI/CRES	1 - NWS, Room 1C925, Pentagon	
1 - CPAS/ILS		
1 - SIGINT, Chairman, SIRVES		
1 - [redacted]		25X1
1 - [redacted]		
1 - [redacted]		
1 - [redacted]		
1 - [redacted]		
1 - [redacted]		
1 - [redacted]		
1 - USWR/PPC		
1 - SOVA/CSD/C		
1 - NPIC/IEG/TWFD		
1 - NPIC/PEG		
1 - [redacted]		25X1
2 - ICS/OHC/DIR		
1 - DDI Rep/OLL		
1 - [redacted]		25X1
1 - [redacted]		

SECRET

25X1

The Director of Central Intelligence
Washington, D.C. 20505

NIC 05473-84
24 September 1984

National Intelligence Council

MEMORANDUM FOR: Director of Central Intelligence
Deputy Director of Central Intelligence

VIA: National Intelligence Officer for Warning

FROM:
Assistant National Intelligence Officer for NESA

25X1

SUBJECT: Forecasting and Warning Meeting Report, 20 September 1984

1. Morocco-Libya: Impact of the Union.

CIA opened the discussion by briefly describing the current state of the union and assessing Hassan's motives for engineering the deal.

- The implementation of various aspects of the union is proceeding smoothly; the first group of Libyan students will arrive in Morocco shortly.
- Hassan was probably motivated by a desire to end Libyan support for the Polisario, gain a political counterweight to Algeria, and hopes of achieving Libyan financial support.

Analysts then discussed the Libyan agreement to withdraw from Chad. There was agreement that both the Chad and Moroccan agreements plus signs we have seen of efforts to improve relations with other Arab and African moderates represent a Libyan effort to drive a wedge between these moderates and the US. Libyan Foreign Minister Turayki's--a sophisticated and skilled diplomat--consolidation of control over Libyan foreign affairs may also be a factor. The Libyan decision to pursue better relations with neighbors may, in the view of some analysts, reflect Qadhafi's concern that his domestic situation is so serious that he needs to have good external relations in order to devote his complete attention to internal affairs. Other analysts disagreed, however, maintaining that Qadhafi is firmly in control and that his foreign policy moves are simply tactical adjustments in pursuit of longstanding goals.

25X1

1
SECRET

SECRET

25X1

Analysts were uncertain as to whether the union will end up primarily having served Moroccan, or Libyan interests.

Warning Notes

25X1

- Algeria is increasingly concerned by its regional isolation. At the same time Hassan is clearly buoyed by the merger and may feel that he has a free hand in the Western Sahara. This combination of Algerian concern and Moroccan aggressiveness could lead Hassan to overplay his hand and bring about a Moroccan-Algerian clash, particularly if Morocco decides to extend the Berm.
- Hassan has put his prestige on the line and has focused a good deal of attention on the alleged financial benefits the merger will bring to Morocco. If the Libyans fail to deliver, there could be a domestic backlash.

2. PLO: The PNC and After.

The discussion of the PLO centered on the apparent decision to postpone the PNC and the fortunes of the various factions in the organization. Analysts agreed that even if the PNC were to be held at some time in the near future, there is little likelihood that any major policy moves or significant internal changes would result. However, Arafat clearly wanted to hold the PNC--he and other members of his mainstream faction had publicly committed themselves to holding the meeting. Arafat's apparent inability to arrange a venue is bound to be an embarrassment and serves as further indication of the erosion of his authority. Analysts agreed that there is little chance for Arafat to arrest this erosion despite the apparent disarray in the ranks of the dissidents.

Warning Note


There was general agreement that we are likely to see more drift and indecision in both the mainstream and dissident ranks and that there is not likely to be any major policy shift for the near term. Community analysts agreed that there is little chance of the mainstream or the dissidents resuming international terrorism, although the possibility of

SECRET, 

25X1

such attacks by fringe groups like Abu Nidal and 15 May remains high. Attacks on Israeli targets in the West Bank, Gaza, and Israel proper will probably increase, however.

3. Iran-Iraq.

DIA provided a brief overview of the military situation in the war, concluding that there have been no significant developments since last month's review of this subject.  a slight shift in Iraqi tactics with an increase in the scope and frequency of air attacks on tankers and other targets in the Gulf. This is partially due to Baghdad's recent acquisition of new aircraft.

25X1

Warning Note

Analysts agreed that, given the Iraqi's traditional caution, there is not likely to be a major increase in such Iraqi attacks. Similarly, there are indications that the Iranian offensive in the Basra area remains on hold. Analysts agreed that the general stalemate of the last few months will continue for the near term.

 25X1

SECRET

NIC-05473-84
24 September 1984

MEMORANDUM FOR: Director of Central Intelligence
Deputy Director of Central Intelligence

SUBJECT: Forecasting and Warning Meeting Report, 20 September 1984

NIC/A/NIO/NESA: [redacted] 24 Sept. 84 [redacted]

25X1

Distribution:

Orig - DCI

1 - DDCI

1 - ER

1 - Exec. Dir.

1 - ADDI

1 - SA/IA

1 - C/IPC Staff

1 - C/NIC

1 - VC/NIC

~~2~~ - NIO/NESA

5 - NIO/W

1 - Each NIO

1 - Each Office Director

1 - SRP

1 - NIC/AG

1 - [redacted]

1 - [redacted]

1 - C/OCR/NEA

1 - OGI/IIC/TI

1 - OGI/IIC/TG

1 - NESA/AI/D

1 - NESA/PG/D

1 - NESA/SO/D

1 - DDI/CRES

1 - DDI/Registry

1 - CPAS/ILS

1 - SIGINT, Chairman, SIRVES

1 - [redacted]

1 - [redacted]

1 - [redacted]

1 - [redacted]

1 - [redacted]

1 - [redacted]

1 - [redacted]

1 - OSWR/PPC

1 - SOVA/CSD/C

1 - NPIC/IEG/TWFD

1 - NPIC/PEG

1 - [redacted]

2 - ICS/OHC/DIR

1 - DDI Rep/OLL

1 - [redacted]

1 - [redacted]

1 - State/INR/NESA

1 - DIO/NE

1 - DIA/DB-3C

1 - DIA/JSI

1 - DIA/DE-4

1 - DIA/DB-2C2

1 - DIA/JSI-5A

1 - DIA/JSI-5B

1 - DIA/JSI-3B

1 - DIA/JSI-2C

1 - OJCS MEAF Div.

1 - NSA/G-609

1 - ACSI DAMI FII

1 - ONI Estimates Br.

1 - AF/INER

1 - AF/INEGL

1 - HQS USMC CODE INTP

1 - NSC/ME

1 - Cmdr. Phil Dur, NSC

1 - Maj. Jack Mathis, US Central Command

1 - Bill Eckert, Office of VP

1 - [redacted] DIA ATTN: DC4A

1 - [redacted]

1 - NWS, Room 1C925, Pentagon

*1 - STATE, INR/IC/RD**1 - DIA/DC-4A*

25X1

25X1

25X1

25X1

25X1

25X1

SECRET

25X1

The Director of Central Intelligence

Washington, D.C. 20505

NIC 06050-84
22 October 1984

National Intelligence Council

MEMORANDUM FOR: Director of Central Intelligence
Deputy Director of Central Intelligence

VIA: National Intelligence Officer for Warning

FROM: [REDACTED]
Assistant National Intelligence Officer for NESA

SUBJECT: Forecasting and Warning Meeting Report, 18 October 1984

25X1

1. Arab States: New Alignments?

A/NIO/NESA began with a brief speculative discussion, based on personal opinion, of past and current alliances in the Arab world, provided in order to look more closely at the question of whether or not recent developments--particularly the Egypt-Jordan resumption of diplomatic relations--foreshadow changes in the balance of power in the region.

In the past decade, the balance of power in the Arab world has gone through two phases. First, in the aftermath of the 1973 war, was a broad coalition of Egypt-Syria-Saudi Arabia and the PLO. This grouping was focused on a common approach to the peace process--formulated at the 1974 Rabat Summit--and was subject to a number of internal tensions despite its broad agreement. This coalition lasted until Sadat's visit to Jerusalem, when it split apart. Following this split, the second phase began--Syria led the radicals (formed into the Steadfastness Front) while the moderates splintered with the moderate grouping of Saudi Arabia, Jordan and the Gulf States in general disarray and often opposing one another. The Syrian-led radicals held the upper hand in the region throughout the 1980's, with the culmination of Syrian power coming in early 1984 with the abrogation of the Israeli-Lebanese agreement.

But radical influence may now be declining. The Egyptian-Jordanian agreement, the possibility that Iraq and others may soon join in and the fragmenting in the radical alliance--symbolized by the decline in the Tripartite Alliance and the Libyan-Moroccan union--could point the way to a new, moderate-led balance of power.

1
SECRET

25X1

SECRET

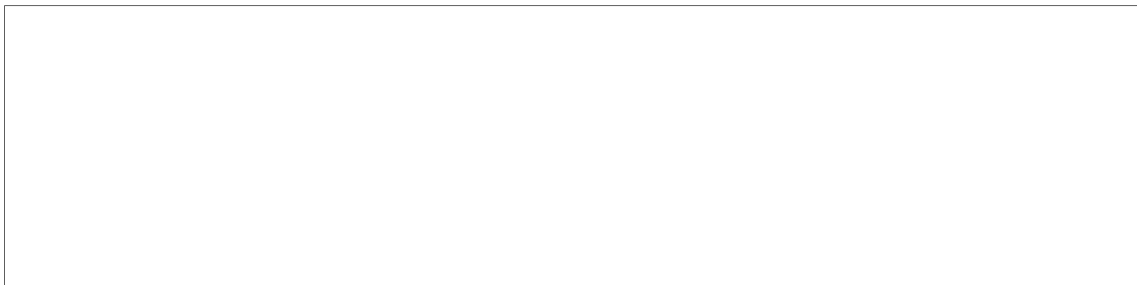
A/NIO/NESA concluded that he believes the moderates will in fact soon hold the upper hand and that:

- There is, however, likely to be little implication for the peace process; instead, the moderate coalition will focus on regional issues and on blunting the expansion of radical--Syrian and Iranian--influence.
- The PLO (Arafat faction) is now in the moderate camp, but will not be comfortable there. The moderates--particularly as long as Jordan holds a key place in the coalition--will seek to diminish PLO influence. This suggests that, if the PLO wishes to maintain its role as legitimate representative of the Palestinian people, it will have to seek an alliance with Syria on Syria's terms.
- Syria will attempt to rebuild its radical coalition by appealing to states like Algeria and North Yemen. The importance of smaller states in the region will grow as the radicals and moderates compete for influence.
- Jordan is the key to the moderate alliance, serving as the link between Egypt and Iraq. Moreover, King Hussein's behavior in backing Iraq and restoring relations with Egypt suggest that, while he is exceptionally cautious on peace process issues, he is willing to take risks and get out in front on regional matters.

Discussion

Many analysts thought it was too early to say that Syrian influence was on the decline. Most argued that the Syrians still hold the veto on the peace process and that this gives them exceptional regional leverage. Syrian influence over Saudi Arabia, for example, remains significant.

Nonetheless, there was agreement that there is a fluidity in the Arab world and that the situation warrants closer examination by the intelligence community. In particular, the following questions need to be answered:



25X1

SECRET

25X1

2. Iran-Iraq: Update on the War

DIA led off with a presentation examining the current state of Iranian deployments in the central, northern and Al-Basrah regions. The threat of an Iranian offensive in the Basrah region now appears all but ended; the Iraqi defensive preparations are too strong and some signs of Iranian redeployments suggest that Iranian troop strength is much reduced in the area. Continuing problems with the Kurds in the north probably mean that there is little likelihood of an Iranian move in that area anytime soon. The most likely area for further Iranian military action is in the central area.

Discussion

Most analysts agreed with the DIA presentation. Suggested areas for closer examination include the Kurdish problem, particularly the recent spate of Turkish-Kurdish clashes and their implication for Iran and Iraq.

3. The Yemens: A Review of Recent Developments and Their Implications

CIA described recent oil finds in YAR. A second well has been developed and each is capable of producing 10,000 bpd. The significance of the find could contribute to tensions with PDRY, particularly since the wells are in a poorly-defined border area. However, the presence of oil in YAR could well lead to similar discoveries in PDRY areas and thus the likelihood of clashes appears relatively remote in the near term.

In PDRY, former President Ismail has apparently returned to Aden. His presence there could cause President Hasani problems, but it could also give Hasani a lever to use against his enemies. Much will depend on the conditions under which Hasani allowed Ismail to return and Ismail's health--we have had several reports that he is ill and may be incapable of playing a significant role in PDRY politics. In any event, Ismail's role and its implications for Soviet influence in the country are areas of key intelligence concern in the near term.

Discussion

Community analysts generally agreed with the CIA description of the developments in YAR and PDRY. Some suggested that the development of closer Soviet-YAR ties, as represented by the recent Treaty, could eventually present the Soviets with a difficult choice if relations between YAR and PDRY worsened. For the moment, however, the Soviets seem to be doing well in developing relations with both countries.

3
SECRET

25X1

SECRET

25X1

NIC 06050-84
22 October 1984

MEMORANDUM FOR: Director of Central Intelligence
Deputy Director of Central Intelligence


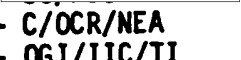


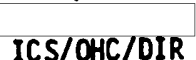

SUBJECT: Forecasting and Warning Meeting Report, 18 October 1984

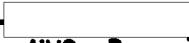
NIC/A/NIO/NESA:

22 Oct. 84

25X1

Distribution:

Orig - DCI
1 - DDCI
1 - ER
1 - Exec. Dir.
1 - ADDI
1 - SA/IA
1 - C/IPC Staff
1 - C/NIC
1 - VC/NIC
2 - NIO/NESA
5 - NIO/W
1 - Each NIO
1 - Each Office Director
1 - SRP
1 - NIC/AG
1 - 
1 - 
1 - C/OCR/NEA
1 - OGI/IIC/TI
1 - OGI/IIC/TG
1 - OGI/IIC/PI
1 - NESA/AI/D
1 - NESA/PG/D
1 - NESA/SO/D
1 - DDI/CRES
1 - DDI/Registry
1 - CPAS/ILS
1 - SIGINT/Chairman, SIRVES
1 - 
1 - 
1 - OSWR/PPC
1 - SOVA/CSD/C
1 - NPIC/IEG/TWFD
1 - NPIC/PEG
1 - 
2 - ICS/OHC/DIR
1 - DDI Rep/OLL
1 - 

1 - State/INR/NESA
1 - State/INR/IC/RD
1 - DIO/NE
1 - DIA/DB-3C
1 - DIA/JSI
1 - DIA/DE-4
1 - DIA/DC-4A
1 - DIA/DB-2C2
1 - DIA/JSI-5A
1 - DIA/JSI-5B
1 - DIA/JSI-3B
1 - DIA/JSI-2C
1 - OJCS MEAF Div.
1 - NSA/G-609
1 - ACSI DAMI FII
1 - ONI Estimates Br.
1 - AF/INER
1 - AF/INEGL
1 - HQS USMC CODE INTP
1 - NSC/ME
1 - Cmdr. Phil Dur, NSC
1 - Maj. Jack Mathis,
US Central Command
1 - Bill Eckert, Office of VP
1 -  DIC
1 - NWS, Room 1C925, Pentagon

25X1

25X1

25X1

25X1

25X1

SECRET

SECRET,

25X1

The Director of Central Intelligence
Washington, D.C. 20505

NIC 06519-84
19 November 1984

National Intelligence Council

MEMORANDUM FOR: Director of Central Intelligence
Deputy Director of Central Intelligence

VIA: National Intelligence Officer for Warning

FROM: Graham E. Fuller
National Intelligence Officer for NESA

SUBJECT: Forecasting and Warning Meeting Report, 15 November 1984

1. India After Mrs. Gandhi

The situation in India is returning to normal, but remains fragile. Rajiv has shown himself to be a decisive leader, has moved quickly to appoint advisors and put his own men in key posts, and called elections, hoping for a strong popular endorsement of his leadership.

The Sikh-Hindu conflict remains the greatest threat to Indian security, and has produced deep tensions in the army, where Sikhs make up about 10% of total personnel, and 20-30% of the officer corps. Those affected are primarily junior officers and new recruits rather than seasoned veterans, whose loyalty and professionalism remains strong. Pressures are growing to eliminate the military's ethnic unit structure and integrate the Sikh units with other forces. There is concern that these pressures and the distrust generated by recent events may incline younger Sikhs to quit the military, leaving it a weakened and debilitated institution. While there will be severe strains generated by inter-ethnic tensions, the Indian military will maintain its integrity.

We foresee no significant changes in Indian foreign policy. Soviet ties will remain highly important to New Delhi. There could be opportunities for improvement in relations with Pakistan and the United States, but Rajiv seems to be expecting others to make the first conciliatory moves.

SECRET

25X1

25X1

SECRET

25X1

There was some divergence on the likely Soviet posture towards the new government. The dominant view held that Moscow will woo Rajiv with offers of more technical and military aid and words of support, and would view any dramatic gestures towards the West--such as major arms purchases or significant economic openings--with some alarm. A minority thought that Moscow might adopt a tougher stance towards New Delhi.

Rajiv will be tested immediately on his treatment of Sikhs, who will be looking for concessions. Elections will not be held in the Punjab, where most Sikhs live, nor in Assam province, both considered too unstable. Many Sikh leaders are still in jail, as are many who deserted the military in the wake of communal violence earlier this year.

The Indian military has the most to lose from the Sikh problem, both as an institution, and with respect to heightened security risks in Punjab province, which sits on the border with Pakistan. The military is likely to press strongly for progress in resolving ethnic tensions.

NIO/NESA raised the issue of Indian attitudes toward the prospect of a Pakistani nuclear weapon, and whether there had been any change with Mrs. Gandhi's passing. He speculated that India still cannot tolerate Pakistani possession of a bomb, but that the entire debate will be held in abeyance for a time until other more pressing matters are sorted out. Some support for this view came from DIA. State commented that the informed Indian debate over security from a Pakistani nuclear threat revolves around if and how to proceed with India's own nuclear program. Hawks want to proceed now with developing an Indian bomb; the more cautious wish to wait until the evidence is irrefutable that Pakistan has a nuclear bomb. Some speculated that because Rajiv is more decisive than Indira was, he might be more inclined to go ahead with the Indian program.

The group agreed that Rajiv's honeymoon period provides an opportunity for both Pakistan and the United States to loosen Indo-Soviet ties and improve ties to the West. Islamabad and Washington will have to carefully reassess their priorities, and take appropriate steps to initiate improvements, however. Nonetheless, there are serious constraints on the extent of improvement that is feasible, deriving from long-term trends in Indian foreign policy that go beyond the personality and preferences of Indira Gandhi.

Warning Notes

- Any signs of developments in an Indian nuclear weapons program; indications that New Delhi may be contemplating military strike options against Pakistani nuclear facilities.

Page Denied

SECRET

25X1

3. Persian Gulf: Impact of a Major Oil Price Decline

Iraq would be most seriously affected by a major price decline, unable to absorb the probable loss of \$4 billion per year and the consequent austerity that such a cut would bring. Iraq would feel pressed to escalate the war to force Iran to end the fighting, and might increase attacks on Persian Gulf shipping. In addition, Baghdad would press Saudi Arabia and Kuwait to fill the huge revenue gap.

Iran has sufficient capacity to sell more oil and offset revenue losses, and would be likely to resist ending the war. It would probably respond strongly to any Iraqi escalations and increase attacks on Baghdad's oil export facilities--primarily the Iraqi-Turkish pipeline.

Saudi Arabia and Kuwait would be faced with the thorny choices of offering massive additional transfusions of aid for Iraq--and facing severe austerity measures at home that could lead to unrest--or withholding aid and risking the replacement of Saddam with an Iranian-dominated Shia regime. The royal family's own spending habits might also be affected. Furthermore, the Saudi government might question its commitment to OPEC, and devise a new policy on production since other countries have in the past benefitted from the Saudi willingness to absorb production cuts to achieve price stability, and some have not held to their own production quotas.

Some of the smaller Gulf states would also be adversely affected: Oman would have to rethink its military purchases; the UAE, Qatar, and Bahrain might suffer deeper internal strains.

As for the United States itself, there is no question that the domestic US economy would benefit by lower oil prices--economists estimate that a drop in price of \$4 per barrel would yield a growth in the economy of 1%. It is also clear that US interests in the Gulf would suffer severely as instability increased opportunities for Soviet meddling in Iraq and perhaps Kuwait, and an escalation in the Iran-Iraq war might draw the United States into deeper military involvement in the area, possibly confronting Iranian forces.

All local military forces in the area would suffer, and such events could provide openings for Shia unrest and Iranian interference in local affairs. Rather than step up the conflict, Iran might return to a long-term war of attrition strategy in the belief that an Iraq in dire economic straits could not last long.

The scenario could result in crypto-default on Gulf payments to contractors and massive defaults on debt payments by other oil producers, such as Mexico, developments that could damage the international banking system and threaten the entire international financial structure. Such events would temper overall benefits for the US economy.

4

SECRET


SECRET/

25X1

4. Iran-Iraq War Update

Noting the continuing hesitation of Iranian forces to launch the "Grand Offensive" they have been preparing for so long, Khomeini may have begun to realize--after several failures and great loss of life--the necessity of a sound military approach. Indicators include the appointment in September of a prominent military man to the Supreme Defense Council, and the fact that revolutionary guard and regular military forces have been training together. Iran still desires a massive and dramatic military victory. In the meantime, Iranian forces will keep up limited attacks, probably along the central and southern fronts, to keep the pressure on Iraq and bolster the morale of Iranian troops and on the homefront.

In the discussion, the question was raised as to why Iran did not change the focus of attack preparations to the north, where it has had some success in the past. Military attendees responded that the bad weather, rugged terrain, and Kurdish opposition had deterred further Iranian attacks there. However, in the future, weather permitting, changing Kurdish posture toward Iran and Iraq could alter these calculations. After all its lengthy preparations, the Iranian forces may be obliged to attempt some sort of strong probe of Iraqi lines, mostly likely along the Dezful-Asmari River.


Graham E. Fuller

5
SECRET

SECRET

25X1

19 November 1984

MEMORANDUM FOR: Director of Central Intelligence
Deputy Director of Central Intelligence

SUBJECT: Forecasting and Warning Meeting Report, 15 November 1984

NIC/NIO/NESA:GEFuller:jcn

19 Nov. 84

25X1

- Distribution:

Orig - DCI

1 - DDCI

1 - ER

1 - Exec. Dir.

1 - ADDI

1 - SA/IA

1 - C/IPC Staff

1 - C/NIC

1 - VC/NIC

2 - NIO/NESA

5 - NIO/W

1 - Each NIO

1 - Each Office Director

1 - SRP

1 - NIC/AG

1 -

1 -

1 - C/OCR/NEA

1 - OGI/IIC/TI

1 - OGI/IIC/TG

1 - OGI/IIC/PI

1 - NESA/AI/D

1 - NESA/PG/D

1 - NESA/SO/D

1 - DDI/CRES

1 - DDI/Registry

1 - CPAS/ILS

1 - SIGINT/Chairman. SIRVES

1 -

1 -

1 -

1 -

1 -

1 -

1 -

1 - OSWR/PPC

1 - SOVA/CSD/C

1 - NPIC/IEG/TWFO

1 - NPIC/PEG

1 - State/INR/NESA

1 - State/INR/IC/RD

1 - DIO/NE

1 - DIA/DB-3C

1 - DIA/JSI

1 - DIA/DE-4

1 - DIA/DC-4A

1 - DIA/DB-2C2

1 - DIA/JSI-5A

1 - DIA/JSI-5B

1 - DIA/JSI-3B

1 - DIA/JSI-2C

1 - OJCS MEAF Div.

1 - NSA/G-609

1 - ACSI DAMI FII

1 - ONI Estimates Br.

1 - AF/INER

1 - AF/INEGL

1 - HQS USMC CODE INTP

1 - NSC/ME

1 - Cmdr. Phil Dur, NSC

1 - Maj. Jack Mathis,

US Central Command

1 - Bill Eckert, Office of VP

1 -

1 - NWS, Room 1C925, Pentagon

1 - C/MCD/RRS

2 - ICS/OHC/DIR

1 - DDI Rep/OLL

1 -

1 -

6
SECRET